

October 8, 2004

Department of Employee Trust Funds Manager, Self-Insured Health Plans Attention: Arlene Larson P.O. Box 7931 Madison, WI 53707-7931

Dear Ms. Larson:

Enclosed are the rates for the 2005 calendar year for the State of Wisconsin's Local Annuitant Health Plan. The premiums for this plan reflect a 13.68% change for the Classic Blue from the 2004 rates. The other plan rates increased slightly less because the \$2.30 administrative fee has a different impact on each rate. The final rates shown include a \$2.30 administrative fee and are rounded to the nearest tenth of a dollar.

Sincerely, Hun J. Icharl

Ken School Senior Underwriter

Blue Cross Blue Shield of Wisconsin

Cc: Larry Bach, Lydia Colon